

Foster Carer/Special Guardian Grant Agreements

Legal Checklist

Foster Carer/Special Guardian grants will now be dealt with on the following basis:

- Client will deal with grants of up to £2.5K without sending to legal and in these cases the simple form of agreement should be used.
- Only matters over £30K will go to Committee, everything else done as operational decision (such financial delegation to be approved by Committee ASAP)
- All grants over £10k shall be subject to a legal charge secured on the foster carer's property.

Before seeking the appropriate approval for a grant, the client department should consider the following:

1. How much should the grant be for? The Principal Sum is intended to cover all costs and expenses incurred by the foster carers/special guardians in connection with the building works including VAT and legal fees, planning application fees, architects fees, internal decorations/fit out etc.
2. Ensure entering into correct document.
3. If the grant is for £10K+ and a legal charge is to be secured against the property, ensure that the foster carer/special guardian is the freehold owner. We cannot protect the Council's investment by registering a charge on the title to the property where the foster carer is a tenant.
4. Similarly, we will need to ensure that there is sufficient equity in the property to secure our charge. We will need full details of any existing loans secured against the property including the amount outstanding. We may need to obtain a property valuation to check that there would be sufficient equity in the property to repay our charge should we need to enforce the clawback provisions in the agreement.

Information required by Legal when sending through instructions:

1. Full names of foster carers;
2. Address including postcode of property;
3. Brief description of the building works including architects plans where available;
4. Copy of committee report and approval for grant;
5. Copies of any necessary consents (where available) e.g. planning consent, building regulations approval;
6. Details of all existing mortgages and other loans secured on the property together with the amount outstanding. This information will be treated in the strictest confidence and will be used for legal for the sole purpose of establishing whether there is sufficient equity in the property to register the council's charge;
7. Builder's quotes for the works.